

CANBERRA, AUSTRALIA

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SURVEY OF SELECTED PRIVATE PENSIONFUNDS 1964-65

This bulletin contains the results of a survey of separately constituted private pension funds operated by a number of large companies or groups of companies and relates to the year 1964-65.

2. For 1955-56, 1960-61, 1961-62 and 1962-63, the Bureau conducted sample surveys of pension and retiring allowance schemes in private businesses subject to pay-roll tax, other than in rural industries, private domestic service, and certain businesses such as accountants, trade associations, consultant engineers, etc. Commonwealth Government airlines and banks were included where they had established their own funds separately from the Commonwealth superannuation funds, but statutory coal miners' pension funds were excluded. Details were asked for three types of pension and retiring allowance schemes. They were (a) schemes operated through life insurance offices, (b) schemes operated through separately constituted funds, and (c) direct payments of pensions and retiring allowances.

3. The results of the 1955-56 survey are available in Finance Bulletin No. 47, Part I, and the 1960-61, 1961-62 and 1962-63 survey results were published in Insurance and Other Private Finance, Bulletin No. 2. Details of the operations of government and semi-governmental superannuation schemes were published in Insurance and Other Private Finance, Bulletins No. 1 and No. 2 for 1961-62 and 1962-63 respectively, and in Part I of the Finance Bulletin for years prior to 1961-62. The results of the 1963-64 survey of government and semi-governmental superannuation schemes were published in March, 1966, in a mimeographed bulletin. The Monthly Bulletin of Life Insurance Statistics contains some information on the superannuation business of life insurance offices.

4. In the years 1956-57 to 1958-59, 1963-64 and 1964-65, information was collected from a small number of selected larger funds, and for the years 1955-56 and 1960-61 to 1962-63, the returns for the selected pension schemes were extracted from the sample surveys and tabulated in respect only of the business of their separately constituted funds. Results of the survey for 1964-65, together with comparative figures for previous years, were published in April, 1966, in a mimeographed bulletin. Although only a small number of funds were included in these surveys, they accounted for about 34 per cent of total assets of the funds covered by the more comprehensive sample survey in 1962-63.

5. In order to improve the coverage of the surveys of selected pension funds, a larger number of funds was surveyed in 1964-65 than in previous surveys of selected funds. The separately constituted private pension funds included in the 1964-65 survey, the results of which are published in this bulletin, accounted for about 72 per cent of total contributions, 71 per cent of the income, 68 per cent of the expenditure and 77 per cent of the assets of the funds included in the 1962-63 sample survey.

6. Summary data of contributions, income, expenditure and assets in respect of informants in the present survey, were extracted from the tabulations of the 1962-63 sample survey, and are shown in Table 3 of this bulletin for comparison with the 1964-65 results.

7. Since the Survey of Selected Private Pension Funds for 1964-65 is not a representative sample, it is not known to what extent their share of the whole field has changed since the 1962-63 survey; nor is the pattern of income, expenditure and asset distribution of the large funds included in this survey, necessarily representative of the whole field.

NOTE. - Where figures have been rounded in this bulletin any discrepancies between totals and sums of components in tables are due to rounding.

TABLE 1. - INCOME AND EXPENDITURE OF SELECTED SEPARATELY CONSTITUTED PRIVATE PENSION FUNDS, 1964-65

(Year ended 30th June, 1965, or substituted accounting period)

(\$ million)

INCOME						
Employees' Contributions	Employers' Contributions	Interest on Commonwealth, Local and Semi - Governmental Securities	Other Interest, Dividends and Rent	Profit from Sale or Revaluation of Assets	Other Income (a)	Total Income
21.8	40.8	15.2	21.7	3.1	2.4	105.1

EXPENDITURE									
Pensions Paid			Lump Sum Payments				Loss on Sale or Revaluation of Assets	Other Expenditure (b)	Total Expenditure
Former Employees	Widows or Children	Total	To Former Employees		To Widows or Children	Total			
			On Retirement	On Resignation or Dismissal					
10.7	1.9	12.6	7.6	8.5	2.4	18.5	4.2	2.4	37.7

(a) Includes receipts from life insurance offices, sub-underwriting commissions, etc. (b) Includes administrative expenses payable from Funds, payments to life insurance offices, etc.

TABLE 2. - ASSETS OF SELECTED SEPARATELY CONSTITUTED PRIVATE PENSION FUNDS

AMOUNT

(\$ million at book values at balance dates in 1964-65)

Cash in Hand or in Bank	Common- wealth Government Securities	Local and Semi- Govern- mental Securities	Loans on Mortgage		Company Debentures, Notes and other Loans to Companies	Shares in Companies	Land and Buildings	All Other Assets (a)	Total Assets	Less Sundry Creditors, etc.	Amount of Funds in Australia
			To Companies	Other							
16.7	117.2	176.5	24.4	19.5	163.7	177.6	4.4	13.6	713.7	4.8	708.9

PERCENTAGE DISTRIBUTION

(per cent.)

Cash in Hand or in Bank	Common- wealth Government Securities	Local and Semi- Govern- mental Securities	Loans on Mortgage		Company Debentures, Notes and other Loans to Companies	Shares in Companies	Land and Buildings	All Other Assets (a)	Total Assets
			To Companies	Other					
2.3	16.4	24.7	3.4	2.7	22.9	24.9	0.6	1.9	100.0

(a) Includes loans to authorised dealers in the short-term money market and loans to building societies.

TABLE 3. - INCOME, EXPENDITURE AND ASSETS OF SELECTED SEPARATELY CONSTITUTED PRIVATE PENSION FUNDS

1962-63 and 1964-65

(\$ million)

Year (a)	Employees' Contribution	Employers' Contribution	Other Income	Total Income	Total Expenditure	Book Value of Total Assets at End of Year
1962-63	18.1	36.0	35.5	89.6	27.6	581.5
196 ⁴ ₃ -64 ⁵	21.8	40.8	42.5	105.1	37.7	713.7

(a) Year ended 30th June or substituted accounting period.

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COMMONWEALTH BUREAU OF CENSUS AND STATISTICS

CANBERRA A.C.T. 26TH SEPTEMBER, 1966.

NOTE. - Inquiries concerning these statistics may be made in Canberra by telephoning 639111 Extension 2195 or, in each State Capital, by telephoning the office of the Bureau of Census and Statistics.